

Submission No. 936

Increasing Participation in Paid Employment: House of Representatives Inquiry

Question on Notice

Workplace Training

Workplace training

Workplace training is undertaken in two main ways – through structured training involving an instructor and through organised courses held internally or externally, and through on-the job training. A high percentage of the workforce receives one or other of these forms of training. Table 1 shows that in 2001, about 97 per cent of all internal training courses completed by employees received financial support. For external training courses about 45 per cent of training completed by employees (excluding working in own business and working under other arrangements) had financial support. About 16 per cent of external training completed by employees (excluding working in own business and working under other arrangements) did not have financial support.

Table 1 Training Courses Completed: Whether Working at Time of Training

Training	Working			Not working %	Total (000)
	Wage or salary earner %	Working in own business %	Working Under other arrangements %		
Whether participant received financial support					
Internal training course	97.1	2.2	0.7	0	6211.0
External training course					
Received financial support	45	3	0	4	1890.0
Did not receive financial support	16	24	1	7	1737.8
Participant incurred costs	6	5	0	2	1251.6
Participant did not incur costs	78	6	1	2	8587.2

Note: total number refers to total number of training courses completed and not total persons completing training
Source: Derived from ABS 2001 Survey of Education and Training, Cat. No. 6278.0, Table 24, May 2002

Table 2 Training Courses Completed (000) by Employees & Time Spend on Training (hrs)

INDUSTRY	Hours						Total
	120 or more	40-119	30-39	20-29	10-19	1-9	
Agriculture, forestry and fishing	1.6	4	3.4	4.2	15.8	32	61.3
Mining	0.7	15.2	5.9	20.1	25.7	64	131.9
Manufacturing	15.1	75.5	42.5	73	143.7	360	709.5
Electricity, gas and water	1.1	9.9	5.1	8	20.4	59	103.1
Construction	3.1	16.1	9.3	15.4	40.9	133	217.5
Wholesale trade	3.3	22.1	17.3	33.1	53.9	143	272.6
Retail Trade	7	34.9	17.5	54.1	117.2	600	830.2
Accommodation, cafés and restaurants	4.5	14.2	6.3	12.5	25.4	163	225.5
Transport & storage	7.3	21.3	18.3	39.4	55.5	187	328.4
Communication services	7.5	24.1	11	23	43.9	151	260.8
Finance and insurance	3.9	46.5	21.2	52.2	97.5	299	520.4
Property and business services	8.7	68.7	35.4	78.6	134.4	421	747.1
Government, administration and defence	27.2	63.1	26.8	85.4	170.1	421	793.9
Education	7.6	45.9	37.7	73.2	204.6	739	1 107.9
Health & community services	14.5	59.1	39.9	76.1	194.1	813	1 197.0
Cultural and recreation services	2.7	8.6	9.6	12.8	37.6	115	185.8
Total (include other)	130.9	595.1	337.1	726.3	1 481.2	4 991.0	8 261.6

Note Table refers to number of training completed and not number of persons or hours
Source: ABS 2001 Survey of Education and Training, Cat. No. 6278.0, Table 27, May 2002

In 2001, the average course length of structured training course was 17.4 contact hours, and the average number of courses for those that undertook any was 2.1. Table 2 provides details of the number of training completed, by industry and by number of hours spent on training. Health and community services, education, retail trade and government show higher rates of training programs and completion. Table 3 provides details on the number of employed persons who did or did not participate in training in the previous 12 months.

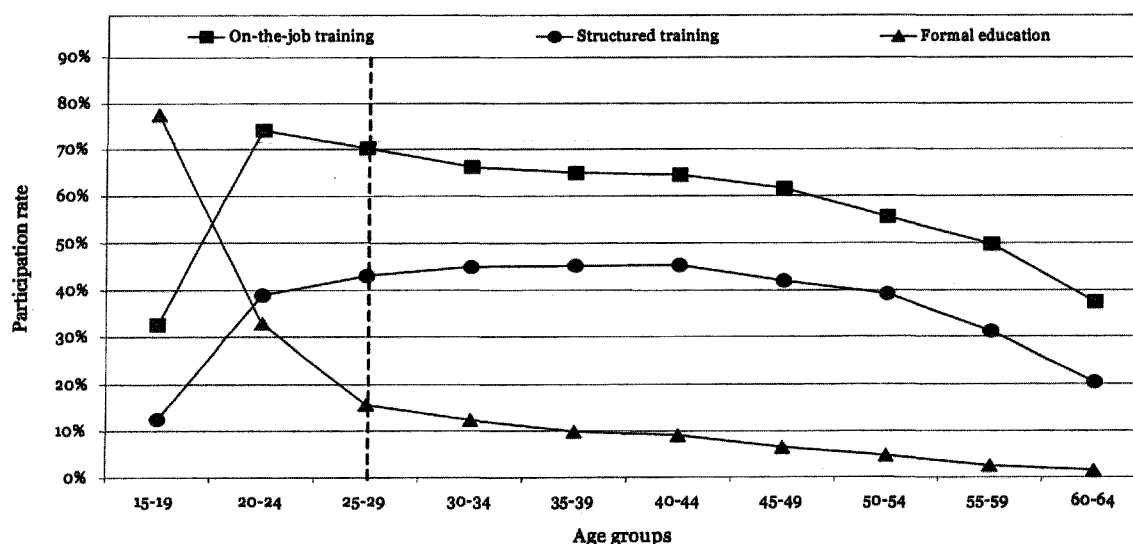
Table 3 Employed Persons, Participation in Training 2001

Occupation	Attended a training course in last 12 months %	Did not attend a training course in last 12 months %	Total Persons (000)
Occupations			
Labourers and related workers	22.2	61.3	710.6
Elementary clerical, sales and service	25.6	39	596.9
Intermediate production and transport	32.1	57.7	705.8
Intermediate clerical, sales and service	41.3	38	1222
Advanced clerical and service workers	36.4	48.9	333.5
Tradespersons and related workers	29.1	56	1028
Associate professionals	47.8	39	949
Professionals	56.1	26.5	1426
Managers and administrators	47	44.2	622
Whether worked full-time or part-time			
Worked part-time	29.1	41	2063
Worked full-time	44.1	44.2	5527
Sector of employment			
			0
Private	35	47.5	6257
Public	60.2	22.7	1310

Note figures exclude employed persons studying towards year 12 and below hence they do not add up to 100%
 Source: Derived from ABS 2001 Survey of Education and Training, Cat. No. 6278.0, Table 35, May 2002

Figure 1 shows that on-the-job training remains the most common form of workplace training, and is undertaken by two thirds or more of 20-44 year olds.

Figure 1: Age-Specific Participation Rates in Education and Training (1997)



Source: ABS 2001 Survey of Education and Training, Cat. No. 6278.0, 1997

As shown, both structured and on-the-job training decreases markedly for those aged 45 years and over.

Data comparisons for people aged 15 to 64 and in or marginally attached to the labour force across the 2001, 1997 and 1993 ABS surveys covering Australia shows that in 1993, 4,264,500 of these people (46%) had completed a non-school qualification. This number increased to 4,918,300 (52%) in 1997, and then to 5,898,200 (57%) in 2001. During 1993, 14% of people (1,314,900) in this group studied towards a non-school qualification. This number fell to 1,248,500 (13%) in 1997, then rose to 1,643,400 people (16%) in 2001. Thirty per cent of these people had completed a training course in the 12 months prior to the 1993 survey. This proportion grew to 42% in 1997, and then to 45% in 2001. On-the-job training remained reasonably steady over the same period, with 71% of people having undertaken some on-the-job training in 1993, and 69% in 2001¹.

The above analysis is based on an individual's perspective. However, the latest ABS survey of employers² (year ended June 2002) indicated that, 81% of all Australian employers provided training for their employees. The same survey indicated that, 41% of employers provided structured training and 79% provided unstructured training. Between 1997 and 2002 the proportion of businesses providing training increased by 20 percentage points, up from 61% in 1997.

Employers with 100 or more employees contributed 71% of total net direct training expenditure. The majority (74%) of these large employers spent in excess of \$20,000 (net) on structured training, compared with 20% of medium employers (20-99 employees) and less than 1% of small employers (those with less than 20 employees). Of the employers that provided structured training, large employers averaged expenditure of \$336,100 on net direct training costs, equivalent to \$661 per employee. In comparison, medium employers that provided structured training spent an average of \$19,300 (or \$472 per employee) and small employers averaged \$2,300 (\$422 per employee).

Copy of a press release highlighting the commitment of employers to training by the Hon Minister Dr Brendan Nelson is attached for your information.

¹ Material sourced from ABS Survey of Education and Training Experience Cat 6278.0 May 2002

² ABS Survey of Training Expenditure and Practices cat 6362.0